



REPORT OF THE DIAMOND PRODUCTS TASK FORCE

Presented to Mayor Randy Kelly December 16, 2005

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EXECUTIVE SUMMARY

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EXECUTIVE SUMMARY

I. BACKGROUND

In early September 2005, Diamond Products, owner and manufacturer of a line of personal care products, announced that it would be ceasing operations at its Lowertown facility. The site, on the eastern edge of downtown Saint Paul, comprises approximately 21.3 acres of prime real estate adjacent to Lowertown, Saint Paul's preeminent creative community and one of its most vibrant urban villages.

In response, Mayor Randy Kelly formed a task force to advise him and the City Council on potential reuse options. The task force was made up of downtown (mostly Lowertown) residents and representatives from CapitolRiver Council, Capital City Partnership, Chamber of Commerce, Port Authority, PED, Parks, Saint Paul Riverfront Corporation, Saint Paul on the Mississippi Design Center, downtown businesses, Diamond Products and Metropolitan State University. This report is the result of the task force's diligent work as it explored site constraints and opportunities, listened to community opinion about what is desired in the area, and sought out City and regional staff expertise to understand the complicated set of factors influencing reuse of the site.

II. PURPOSE OF THE REPORT

This report provides a framework for future decisions regarding reuse of the Diamond Products site and adjacent surface parking lots. It contains background information on the site; a set of assumptions guiding future use; development guidelines regarding land use, urban design and movement/access/public infrastructure; a preliminary list of outstanding issues that were raised in the course of the task force's work but which are more appropriately addressed in subsequent work; and recommendations on next steps.

III. ASSUMPTIONS

The Task Force concluded that, for its conclusions and recommendations to have meaning and relevance, the following assumptions must be clearly understood upfront.

- 1. The City of Saint Paul has a keen interest in the Diamond Products site and surface parking lots to the east and north. There is a public interest in achieving thoughtful, economically feasible redevelopment of the site that will contribute to the area's quality of life.
- 2. The property will be sold by Diamond Products (DP), and the City will either be the purchaser or in a position to exert some control over redevelopment through public financing, development agreement, partial site ownership (including unvacated street rights-of-way on the site), zoning, Comprehensive Plan policy, etc.
- 3. Given the size of the site and the fact that it comprises several parcels, there may be more than one future owner.
- 4. The highest and best use for the property will be something other than its current use as a very large light manufacturing facility. Parking is not a "highest and best use" for the site.

- 5. A major public facility such as a ballpark or theatre complex is possible for the site, but such a use is unlikely to be the highest and best use at this location.
- 6. The main building at the site will be demolished as part of any redevelopment that seeks to attain the site's highest and best use.
- 7. The original street grid will be restored, at least on the western portion of the site, and development will tie to the city block structure.
- 8. Successful conversion of the site and its environs into a vibrant mixed-use urban village will rely on increased use of mass transit and decreased use of the car by residents, employees and visitors.
- 9. Redevelopment of the DP site will be guided by market forces and economic viability. No development will occur that would not be supported by a rational marketplace.
- 10. Redevelopment will likely occur in a phased manner, and specific projects will likely evolve to reflect changing market conditions.
- 11. Redevelopment will be consistent with other governmentally-imposed limitations, such as airport and floodplain regulations.

IV. VISION AND DEVELOPMENT GUIDELINES

The task force's vision for the Diamond Products site and its adjacent surface parking lots is that of a vibrant, mixed-use, medium-to-high density creative community with an active street life, physical connections to the Mississippi River and Bruce Vento Nature Sanctuary, reinstated street grid and contemporary architecture that blends with its context.

The following Development Guidelines should guide reuse of the Diamond Products site.

Land Use

- The area west of the Lafayette Bridge (Highway 52) should be considered for medium-to-high-density (60-80 units/acre), urban-scale development, with a mixture of residential and one or more of the following uses: commercial, educational, institutional, arts-related, medical and entertainment.
- 2. The area east of Hwy. 52 should be considered for predominantly non-intensive, active recreational use consistent with FAA and floodplain regulations, to serve the burgeoning and increasingly diverse downtown residential population, and to act as a transition between the denser-built environment of Lowertown and the Bruce Vento Nature Sanctuary. Lower-density development should be considered in this area as well.
- 3. The area directly under and to either side of the Hwy. 52 bridge comprises a transition zone between future urban development and active recreation space. Restrictions related to building directly under the bridge may limit or prohibit certain uses, and should be considered when determining appropriate future land uses in this location. The land to either side of the Hwy. 52 bridge should be

- considered for light industrial uses and/or studios for artists whose production process may be noisy and/or dusty.
- 4. New housing should be provided that enhances the demographic diversity and diversity of housing types, prices and sizes in the neighborhood. A balance should be struck between ownership and rental, market-rate and assisted units. Options for maintaining long-term housing affordability for existing residents and artists should be explored.
- 5. The character of this part of downtown as a creative community should be celebrated. Any new development should maintain and enhance Lowertown as Saint Paul's preeminent arts and creative community. Uses such as performance space, galleries and classrooms would broaden the range of arts-related services in the neighborhood.
- 6. Any new development should support the general character of this part of downtown and celebrate its creative aspects.
- 7. The area's focus on natural and healthy foods should be expanded. The Farmers Market should be enhanced, and perhaps enlarged, as a focus of the neighborhood.
- 8. A priority for new commercial development should be businesses that provide goods and services to neighborhood residents.
- Creative use of shared space for multiple purposes should be pursued. For
 example, a large open area may be used for active recreation, Farmers Market
 parking and exhibit/fair space, depending on the day of the week, time of
 day/evening and season.
- 10. The proximity of a future multi-modal transportation center at Union Depot should encourage mixed-use, higher-density development at the Diamond Products site.
- 11. Any new development should take advantage of the site's proximity to Metropolitan State University, which provides residents for new housing and opportunities for life-long learning. Partnerships with other higher-education institutions should be pursued as well.

Urban Design

- 1. New development should relate to the scale, massing, relationship to the street, setback and height of adjacent buildings, which are part of local and National Register historic districts. Buildings should embrace contemporary architecture and design sensitive to their context.
- 2. New development should relate to the street, with entrances and windows at street level, wide sidewalks, and active street-level uses. Buildings and first-floor uses are critical to street vitality, street appearance and pedestrian safety.
- 3. All new public and private development should be environmentally sustainable. Possible ways of achieving sustainability include: choice of building materials (e.g. "green" architecture and super insulation), placement of structures (e.g.

solar access), management of groundwater and stormwater, utility service (e.g. connection to district heating and cooling) and interior building systems (e.g. recycling). In addition, building at higher densities with a mix of uses within walking distance of one another will encourage transit and promote alternatives to the single-occupant car.

Movement, Access and Public Infrastructure

- 1. Fourth and 5th streets should be extended to the east through the Diamond Products site to create new blocks more consistent with the Lowertown block pattern, and to provide more street frontage for new development. North/south streets should be "cut" through the portion of the site west of the Hwy. 52 bridge.
- 2. Any new street segments should provide for vehicular, bike, pedestrian and transit movement, and should incorporate streetscape amenities that enliven the street.
- 3. The primary pedestrian path to and through the Diamond Products site should be at street level. Opportunities for providing street-level weather protection should be explored and encouraged, such as arcades, awnings and heated sidewalks.
- 4. The bike/pedestrian connection between Lowertown/downtown and the Bruce Vento Nature Sanctuary (and points east, including Metropolitan State University and Swede Hollow Park) should be directed through this area in a manner consistent with these guidelines.
- 5. Adequate parking for residents, businesses and visitors should be provided in parking structures, either underground or hidden from view in mixed-use buildings. No single-use parking structures or surface parking lots should be built to accommodate new parking demand. Planning for new parking should recognize that, in the future, residents of and visitors to the area will have significant transportation options beyond the car (e.g. HourCar, light rail transit, commuter rail and high-speed rail).
- 6. Recreational facilities, parks and other amenities should be provided for residents and visitors to the site.

V. OUTSTANDING ISSUES

Several issues will require more information and study before a specific reuse scheme is selected for the Diamond Products site and its environs.

1. Possible Kittson Street Connection.

Saint Paul Public Works staff are currently exploring alignment options to build a local street on the eastern edge of downtown to connect Warner Road with University Avenue. The outstanding issues for reuse of the Diamond Products site are whether the Kittson Street extension should be built; if it is, whether it should be connected to 4th and 5th streets as they are extended through the Diamond Products site; and what impact this would have on the character of 4th and 5th streets on this end of downtown.

2. Level of Soil Contamination.

The development guidelines assume some level of contamination and required remediation, but the full extent of both is unknown at this time.

3. Alignment of Local Street Grid Extension.

The development guidelines recommend the extension of 4th and 5th streets east through the site to break up the "superblock" configuration of the site and create more street frontage for new development. The final street alignment and block size are yet to be determined.

4. Economic Feasibility of Future Development.

The task force recognized early on in its work that economics will ultimately play *the* major role in determining how the site is redeveloped. However, the short duration of the group's work did not allow for detailed market feasibility analyses of its recommendations.

5. Future Transportation Infrastructure.

A core assumption underlying the task force recommendations is increased use of mass transit and decreased use of the single-occupant car. The outstanding issue for the task force is whether there is the regional appetite for a truly multimodal system, and how soon alternative forms of transit can be up and running.

6. Maintaining Affordability as Market Values Rise.

For years, Lowertown has been a very affordable place to live for hundreds of artists, and it has filled an important niche in the local housing market. The site preparation and infrastructure costs of redeveloping the Diamond Products site, however, are likely to be high and to require predominantly high-value new uses, which often translate into an increase in housing costs, commercial lease rates, etc.

7. Impacts of Downtown Airport Land Use and Height Restrictions.

The Metropolitan Airports Commission (MAC) is in the process of revising its restrictions pertaining to land use and height under the runway flight paths at the Saint Paul Downtown Airport (Holman Field). The task force's recommendations may have to be revisited once MAC finalizes the restrictions.

8. Phasing.

Given the size of the Diamond Products site and adjacent surface parking lots, it is likely that redevelopment will occur in phases over time, possibly with more than one developer. Phasing will allow for adjustments in density and land use to respond to market changes over the multi-year build-out period.

VI. NEXT STEPS

It is the intention of the Diamond Products Task Force that its recommendations guide future public and private investment decisions related to the site and its environs. In that vein, the task force recommends three short-term actions:

1. The Development Guidelines should be forwarded to Mayor Coleman, the Saint Paul Planning Commission and the Saint Paul City Council for adoption as an amendment to the *Downtown Development Strategy*, a chapter of the City's

Comprehensive Plan. They should also be incorporated into an updated *Lowertown Precinct Plan*, planned for 2006.

- 2. Rezoning of the Diamond Products site and surface parking lots to the east should be considered. One option would be to rezone the site to TN3 Traditional Neighborhood District. If rezoning is pursued, consideration should be given to rezoning the entire Lowertown area south of 7th Street between Sibley Street and Highway 52.
- 3. The City of Saint Paul should be a partner in redevelopment of the site, with a development agreement between the City's Housing and Redevelopment Authority and all private sector partners. The Development Guidelines should be incorporated into any development agreement.

Several subsequent studies are necessary before a final decision can be made on future use of the Diamond Products site:

- 1. Housing market analysis.
- 2. Investigation of soil conditions and extent of pollution.
- 3. Street and traffic management plan.
- 4. Parking study and subsequent parking management plan.
- 5. Detailed economic feasibility analysis of specific reuse options.
- 6. Investigation of existing utility locations.
- 7. Impact of final land use and height restrictions related to Saint Paul Downtown Airport (Holman Field).
- 8. Investigation of skyway and street-level pedestrian systems in successful winter cities.

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I. BACKGROUND

In early September 2005, Diamond Products, owner and manufacturer of a line of personal care products, announced that it would be ceasing operations at its Lowertown facility. The site, on the eastern edge of downtown Saint Paul, comprises approximately 21.3 acres of prime real estate adjacent to Lowertown, Saint Paul's preeminent creative community and one of its most vibrant urban villages.

While disappointed with the loss of approximately 150 manufacturing jobs, Mayor Randy Kelly also realized the incredible opportunity posed by the potential reuse of this key downtown site. He immediately formed a task force to advise him and the City Council on potential reuse options. The task force was made up of downtown (mostly Lowertown) residents and representatives from CapitolRiver Council, Capital City Partnership, Chamber of Commerce, Port Authority, PED, Parks, Saint Paul Riverfront Corporation, Saint Paul on the Mississippi Design Center, downtown businesses, Diamond Products and Metropolitan State University. The Mayor asked the task force to recognize the site's location adjacent to three of Saint Paul's most important resources: the charming Lowertown community with its proximity to the river, the soon-to-flourish Union Depot and the rich transportation history of the area, and the extraordinary Bruce Vento Nature Sanctuary. He noted the site's capacity to be a benchmark for the community's efforts to build a city that is both more urban and more natural.

This report is the result of the task force's diligent work over two months, including seven task force sessions and one community meeting. The group explored site constraints and opportunities, listened to community opinion about what is desired in the area, and sought out City and regional staff expertise to understand the complicated set of factors influencing reuse of the site.

II. PURPOSE OF THE REPORT

This report provides a framework for future decisions regarding reuse of the Diamond Products site and adjacent surface parking lots. It contains background information on the site; a set of assumptions guiding future use; development guidelines regarding land use, urban design and movement/access/public infrastructure; a preliminary list of outstanding issues that were raised in the course of the task force's work but which are more appropriately addressed in subsequent work; and recommendations on next steps. Given the complexity of the site and its environs, this report does not recommend a specific development scheme for the site. It should be used more as a tool with which to evaluate the suitability, economic viability and overall compatibility of potential new uses.

III. THE SITE AND ITS ENVIRONS

The approximately 21-acre Diamond Products site and nearly 10 acres of adjacent surface parking lots are located at the eastern edge of downtown Saint Paul, directly across the street from the Farmers Market, and adjacent to the Lowertown Urban Village, Lowertown Heritage Preservation District and Bruce Vento Nature Sanctuary. The site currently contains a three-story, 830,000 square-foot building used for offices, warehousing and manufacturing. Fourth and 5th streets dead-end at the site.

The site is zoned B5 Central Business Service and I1 Light Industrial. It sits just outside of the Mississippi River Critical Area, but a very small portion of the site is within the 500-year floodplain. Land use and height restrictions related to the Saint Paul Downtown Airport (Holman Field) present the most significant constraints on future development of the site. Although the precise boundaries of the affected areas are still being

determined, it is likely that there will be limitations on structures or lasting human activity between Kellogg Boulevard and the river (parking, roads and passive recreational activities would be permitted), and lesser, but still significant, restrictions north of Kellogg Boulevard and east of Highway 52 (light industrial activities and very-low-density housing would be permitted).

Several major arterials and highways ring and serve the site, including I-94, Highway 52, 7th Street, Warner Road, Kellogg Boulevard and Sibley/Jackson. Such excellent local, regional and interstate access to this part of downtown is a major asset and significantly expands the list of potential new uses for the site.

The site's proximity to other major land uses (such as the Bruce Vento Nature Sanctuary, Metropolitan State University, downtown core, Mississippi River and Union Depot) offers excellent prospects for full use of the site. The existence of a strong downtown housing market bodes well for continued residential growth in Lowertown and at the site.

IV. TASK FORCE PROCESS

The Diamond Products Task Force met seven times from October-December 2005. It began its work by learning about environmental site factors (flooding, hazardous waste and soil condition), planning and regulatory factors (existing land use, zoning, planning precedents, airport height and land use regulations, and heritage preservation), transportation factors (future use of Union Depot as a multi-modal transit hub and key transportation arteries serving the site) public realm factors (Bruce Vento Nature Sanctuary) and demographic factors (downtown resident and employee profiles). This investigation brought to light site constraints and opportunities, which then formed the basis for a set of assumptions and development guidelines. City, regional and state staff were consulted to better understand the site, adjacent development opportunities and the general economic feasibility of various reuse options.

A community meeting was held towards the end of the task force's deliberations. Approximately 50 residents, business owners and interested persons attended. The development guidelines were well-received, with minor changes recommended. The task force revised its recommendations to reflect community input and presented the final report to Mayor Kelly on December 12, 2005.

V. ASSUMPTIONS

The Task Force concluded that, for its conclusions and recommendations to have meaning and relevance, the following assumptions must be clearly understood upfront.

- 12. The City of Saint Paul has a keen interest in the Diamond Products site and surface parking lots to the east and north. Their pivotal location on the edge of downtown, in a thriving neighborhood, and at the nexus of several prime redevelopment sites, key public spaces and important city institutions make the redevelopment of these parcels critical to the increasing vibrancy and livability of downtown. There is a public interest in achieving thoughtful, economically feasible redevelopment of the site that will contribute to the area's quality of life.
- 13. The property will be sold by Diamond Products (DP), and the City will either be the purchaser or in a position to exert some control over redevelopment through public financing, development agreement, partial site ownership (including

unvacated street rights-of-way on the site), zoning, Comprehensive Plan policy, etc.

- 14. Given the size of the site and the fact that it comprises several parcels, there may be more than one future owner. It is therefore appropriate to prepare a set of development guidelines that will foster a coordinated approach to planning for the area's future while responding to evolving markets.
- 15. The highest and best use for the property will be something other than its current use as a very large light manufacturing facility. (Professional appraisers and market analysts suggest that mixed use with a heavy emphasis on housing will likely be the highest and best use.) Parking is not a "highest and best use" for the site.
- 16. A major public facility such as a ballpark or theatre complex is possible for the site, but such a use is unlikely to be the highest and best use at this location.
- 17. The main building at the site will be demolished as part of any redevelopment that seeks to attain the site's highest and best use.
- 18. The original street grid will be restored, at least on the western portion of the site, and development will tie to the city block structure.
- 19. Successful conversion of the site and its environs into a vibrant mixed-use urban village will rely on increased use of mass transit and decreased use of the car by residents, employees and visitors. The value of the land, its proximity to a proposed multi-modal transit hub and the density increases necessary to create a vibrant mix of uses all point to redevelopment that is transit-oriented and transit-supportive.
- 20. Redevelopment of the DP site will be guided by market forces and economic viability. No development will occur that would not be supported by a rational marketplace.
- 21. Redevelopment will likely occur in a phased manner, and specific projects will likely evolve to reflect changing market conditions.
- 22. Redevelopment will be consistent with other governmentally-imposed limitations, such as airport and floodplain regulations.

VI. VISION AND DEVELOPMENT GUIDELINES

The task force's vision for the Diamond Products site and its adjacent surface parking lots is that of a vibrant, mixed-use, medium-to-high density creative community with an active street life, physical connections to the Mississippi River and Bruce Vento Nature Sanctuary, reinstated street grid and contemporary architecture that blends with its context. A basic assumption is that there is a *public* interest in achieving thoughtful, economically-feasible redevelopment of the site that will contribute to the area's quality of life.

Based on this vision and the above assumptions, the following Development Guidelines should guide reuse of the Diamond Products site.

Land Use

- 12. The area west of the Lafayette Bridge (Highway 52) should be considered for medium-to-high-density (60-80 units/acre), urban-scale development, with a mixture of residential and one or more of the following uses: commercial, educational, institutional, arts-related, medical and entertainment.
- 13. The area east of Hwy. 52 should be considered for predominantly non-intensive, active recreational use consistent with FAA and floodplain regulations, to serve the burgeoning and increasingly diverse downtown residential population, and to act as a transition between the denser-built environment of Lowertown and the Bruce Vento Nature Sanctuary. Lower-density development should be considered in this area as well.
- 14. The area directly under and to either side of the Hwy. 52 bridge comprises a transition zone between future urban development and active recreation space. Restrictions related to building directly under the bridge may limit or prohibit certain uses, and should be considered when determining appropriate future land uses in this location. The land to either side of the Hwy. 52 bridge should be considered for light industrial uses and/or studios for artists whose production process may be noisy and/or dusty.
- 15. New housing should be provided that enhances the demographic diversity and diversity of housing types, prices and sizes in the neighborhood. A balance should be struck between ownership and rental, market-rate and assisted units. Options for maintaining long-term housing affordability for existing residents and artists should be explored.
- 16. The character of this part of downtown as a creative community should be celebrated. Any new development should maintain and enhance Lowertown as Saint Paul's preeminent arts and creative community. Uses such as performance space, galleries and classrooms would broaden the range of arts-related services in the neighborhood.
- 17. Any new development should support the general character of this part of downtown and celebrate its creative aspects.
- 18. The area's focus on natural and healthy foods should be expanded. The Farmers Market should be enhanced, and perhaps enlarged, as a focus of the neighborhood.
- 19. A priority for new commercial development should be businesses that provide goods and services to neighborhood residents.
- 20. Creative use of shared space for multiple purposes should be pursued. For example, a large open area may be used for active recreation, Farmers Market parking and exhibit/fair space, depending on the day of the week, time of day/evening and season.

- 21. The proximity of a future multi-modal transportation center at Union Depot should encourage mixed-use, higher-density development at the Diamond Products site.
- 22. Any new development should take advantage of the site's proximity to Metropolitan State University, which provides residents for new housing and opportunities for life-long learning. Partnerships with other higher-education institutions should be pursued as well.

Urban Design

- 4. New development should relate to the scale, massing, relationship to the street, setback and height of adjacent buildings, which are part of local and National Register historic districts. Buildings should embrace contemporary architecture and design sensitive to their context.
- 5. New development should relate to the street, with entrances and windows at street level, wide sidewalks, and active street-level uses. Buildings and first-floor uses are critical to street vitality, street appearance and pedestrian safety.
- 6. All new public and private development should be environmentally sustainable. Possible ways of achieving sustainability include: choice of building materials (e.g. "green" architecture and super insulation), placement of structures (e.g. solar access), management of groundwater and stormwater, utility service (e.g. connection to district heating and cooling) and interior building systems (e.g. recycling). In addition, building at higher densities with a mix of uses within walking distance of one another will encourage transit and promote alternatives to the single-occupant car.

Movement, Access and Public Infrastructure

- 7. Fourth and 5th streets should be extended to the east through the Diamond Products site to create new blocks more consistent with the Lowertown block pattern, and to provide more street frontage for new development. North/south streets should be "cut" through the portion of the site west of the Hwy. 52 bridge.
- 8. Any new street segments should provide for vehicular, bike, pedestrian and transit movement, and should incorporate streetscape amenities that enliven the street.
- 9. The primary pedestrian path to and through the Diamond Products site should be at street level. Opportunities for providing street-level weather protection should be explored and encouraged, such as arcades, awnings and heated sidewalks.
- 10. The bike/pedestrian connection between Lowertown/downtown and the Bruce Vento Nature Sanctuary (and points east, including Metropolitan State University and Swede Hollow Park) should be directed through this area in a manner consistent with these guidelines.
- 11. Adequate parking for residents, businesses and visitors should be provided in parking structures, either underground or hidden from view in mixed-use buildings. No single-use parking structures or surface parking lots should be built to accommodate new parking demand. Planning for new parking should recognize that, in the future, residents of and visitors to the area will have

significant transportation options beyond the car (e.g. HourCar, light rail transit, commuter rail and high-speed rail).

12. Recreational facilities, parks and other amenities should be provided for residents and visitors to the site.

VII. OUTSTANDING ISSUES

While the task force made great progress over a very short period of time, there are several issues that will require more information and study before a specific reuse scheme is selected for the Diamond Products site and its environs.

1. Possible Kittson Street Connection.

Saint Paul Public Works staff are currently exploring alignment options to build a local street on the eastern edge of downtown to connect Warner Road with University Avenue. The new route would provide another entrance/exit into the east end of downtown; reduce congestion on E. 7th Street and Highway 52; and provide a pedestrian/bicycle connection between Lower Landing Park, the Bruce Vento Nature Sanctuary and downtown/Lowertown. Kittson could be designed to connect to the two east-west streets that are recommended to be extended into the Diamond Products site (4th and 5th streets). No decision has been made on whether to proceed with the Kittson extension or its alignment and local street connections. The outstanding issues for reuse of the Diamond Products site are whether the Kittson Street extension should be built; if it is, whether it should be connected to 4th and 5th streets as they are extended through the site; and what impact this would have on the character of 4th and 5th streets on this end of downtown. If 4th and 5th streets are extended and connected to Kittson, they are more likely to carry higher amounts of through-traffic, possibly increasing congestion on these neighborhood streets. If 4th and 5th streets are extended but do not connect to Kittson, they are likely to remain local streets used for access by Lowertown residents, employees and visitors only. Further considerations relate to pedestrian- and bicycle-friendliness of the streets, noise and safety.

2. Level of Soil Contamination.

The development guidelines assume some level of contamination and required remediation, and are assumed to be relevant even in the face of high contamination and clean-up costs. However, it was not possible, during the brief period of time the task force met, to adequately determine the extent of soil contamination on the Diamond Products site or adjacent surface parking lots. The level of contamination and necessary remediation have significant implications for parcel sales price, level of required remediation, future land use (including type and density) and redevelopment timeline.

3. Alignment of Local Street Grid Extension.

The development guidelines recommend the extension of 4th and 5th streets east through the site to break up the "superblock" configuration of the site and create more street frontage for new development. The illustrative site plans presented in the Appendix suggest two ways of extending the grid: 1) extending 4th and 5th streets straight east, staying on the same alignment; or 2) recreating the historic grid east of Broadway Street, which creates a slight "jog" in the alignment at Broadway and blocks smaller than those currently in Lowertown. Since final street alignment and block size will depend to some extent on whether Kittson

Street is extended and connected to Lowertown, what the proposed future land use mix is east of Broadway, and the location of utilities under the Diamond Products site, it is not possible to suggest a preferred alignment for 4th and 5th streets at this time.

4. Economic Feasibility of Future Development.

The task force recognized early on in its work that economics will ultimately play the major role in determining how the site is redeveloped. It therefore sought to gain a general understanding of the downtown Saint Paul housing and arts/commercial/institutional markets. The short duration of the group's work did not allow for detailed market feasibility analyses of its recommendations. The exact mix of uses; type, number and value of housing units; and building heights will require subsequent study, as recommended in Section VIII. Next Steps.

5. Future Transportation Infrastructure.

A core assumption underlying the task force recommendations is increased use of mass transit and decreased use of the single-occupant car. Medium-to-high density development will be required to create enough taxable value to finance site assembly, site preparation and infrastructure construction, a level of density that is not likely to be possible unless there is a sustained commitment to mass transit (buses, light rail transit, commuter, rail, high-speed rail, etc.). The outstanding issue for the task force is whether there is the regional appetite for a truly multi-modal system, and how soon alternative forms of transit can be up and running. The resolution of this issue will also have a major impact on one of the more intractable issues faced by the task force – the amount and location of required parking to serve residents, employees and visitors.

6. Maintaining Affordability as Market Values Rise.

For years, Lowertown has been a very affordable place to live for hundreds of artists, and it has filled an important niche in the local housing market. This "creative community" is a valuable asset to both downtown and the city as a whole. The site preparation and infrastructure costs of redeveloping the Diamond Products site, however, are likely to be high and to require predominantly high-value new uses, which often translate into an increase in housing costs, commercial lease rates, etc. Maintaining affordability for existing residents and businesses while allowing for high-value development will be a balancing act of the first order.

7. Impacts of Downtown Airport Land Use and Height Restrictions.

The Metropolitan Airports Commission (MAC) is in the process of revising its restrictions pertaining to land use and height under the runway flight paths at the Saint Paul Downtown Airport (Holman Field). The task force's recommendations are based on the latest understanding of what MAC is likely to adopt (which severely restricts what can be built east of the Highway 52 bridge). These recommendations may have to be revisited once MAC finalizes the restrictions.

8. Phasing.

Given the size of the Diamond Products site and adjacent surface parking lots, it is likely that redevelopment will occur in phases over time, possibly with more than one developer. Phasing will allow for adjustments in density and land use to respond to market changes over the multi-year build-out period. A phasing plan

is not being recommended at this time, due to insufficient knowledge about future land use, future street location, market feasibility and timing, and whether the new owner is a private or public entity. The outstanding issue for the task force is whether these factors will allow for the phased approach and the diversity of developers it recommends.

VIII. NEXT STEPS

It is the intention of the Diamond Products Task Force that its recommendations guide future public and private investment decisions related to the site and its environs. In that vein, the task force recommends three short-term actions:

- 1. The Development Guidelines should be forwarded to Mayor Coleman, the Saint Paul Planning Commission and the Saint Paul City Council for adoption as an amendment to the *Downtown Development Strategy*, a chapter of the City's Comprehensive Plan. They should also be incorporated into an updated *Lowertown Precinct Plan*, planned for 2006, which will look at the future of the Diamond Products site in conjunction with several other redevelopment opportunities in Lowertown (including Union Depot and the U.S Post Office).
- 2. Rezoning of the Diamond Products site and surface parking lots to the east should be considered. One option would be to rezone the site to TN3 Traditional Neighborhood District. If rezoning is pursued, consideration should be given to rezoning the entire Lowertown area south of 7th Street between Sibley Street and Highway 52.
- 3. The City of Saint Paul should be a partner in redevelopment of the site, with a development agreement between the City's Housing and Redevelopment Authority and all private sector partners. The Development Guidelines should be incorporated into any development agreement.

In doing its work, the task force identified several subsequent studies it feels are necessary before a final decision can be made on future use of the Diamond Products site:

- 1. Housing market analysis.
- 2. Investigation of soil conditions and extent of pollution.
- 3. Street and traffic management plan.
- 4. Parking study and subsequent parking management plan.
- 5. Detailed economic feasibility analysis of specific reuse options.
- 6. Investigation of existing utility locations.
- 7. Impact of final land use and height restrictions related to Saint Paul Downtown Airport (Holman Field).
- 8. Investigation of skyway and street-level pedestrian systems in successful winter cities.

APPENDIX A Diamond Products Task Force Roster

DIAMOND PRODUCTS TASK FORCE

NAME	COMPANY	ADDRESS	PHONE	E-MAIL
Weiming Lu	Lowertown Redevelopment Corporation	Galtier Plaza #750 175 East 5th Street St. Paul, MN 55101	651-227-9131	village@lowertown.org
Larry Englund	CapitolRiver Council	332 Minnesota Street Suite W-122 St. Paul, MN 55101	651-290-2497	LEnglund@isd.net
Ken Johnson	St. Paul Port Authority	345 St. Peter Street Suite 1900 Landmark Tower St. Paul, MN 55102	651-224-5686	KRJ@sppa.com
Dave Thune	St. Paul City Council	15 W. Kellogg Blvd. 310 B City Hall St. Paul, MN 55101	651-266-8620	Dave.Thune@ci.stpaul.mn.us
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Jack Gerten	St. Paul Downtown Farmers Market	290 E. 5th St. St. Paul, MN 55101	651-261-7104	spmkweb@aol.com
Steve Frenz	Union Depot	1 East 19th St. Mpls., MN 55403	612-872-7772	SFrenz@jasapartments.com
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Patrick Seeb	St. Paul Riverfront Corporation	25 W. 6th Street St. Paul, MN 55102	651-293-6861	Seeb@riverfrontcorporation.com
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Sara Remke	Black Dog Café	308 Prince Street St. Paul, MN 55101		sararemke@msn.com
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John Lunde	Great Northern Lofts	300 Wall Street St. Paul, MN 55101	612-990-0663	J.A.Lunde@att.net

NAME	COMPANY	ADDRESS	PHONE	E-MAIL
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		St. Paul, MN 55127		
David Quigg	Wells Fargo Bank, NA	430 N. Wabasha, Suite 201		quiggd@wellsfargo.com
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Dan Foote	Foote and Company	380 Jackson Street, Suite 320	651-265-8266	danf@footeandco.com
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Bert McKasy	Lindquist & Vennum	80 So. 8th Street, Suite 4200	612-371-2439	BMcKasy@lindquist.com
		Mpls, MN 55402		
Molly McCloskey	Staubach	45 So. 7th St., Suite 2222	612-341-6770	Molly.McCloskey@staubach.com
		Mpls, MN 55402		
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		St. Paul, MN 55101		
Amye Scharlau	North West Artists Co-op	308 Prince Street, #308	763-300-7771	dinogrrl@msn.com
		St. Paul, MN 55101		
Wilson Bradshaw	Metropolitan State University	700 E. 7 th Street	651-793-1900	president@metrostate.edu
		St. Paul, MN 55106		
Bob Bierscheid	St. Paul Parks and Recreation	300 City Hall Annex	651-266-6409	Bob.bierscheid@ci.stpaul.mn.us
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		St. Paul, MN 55102		
John J. Labosky	Capital City Partnership	2490 Wells Fargo Place	651-291-5600	john@capcitypartnership.com
		30 E. 7 th Street		
		St. Paul, MN 55101		

APPENDIX B Background Maps

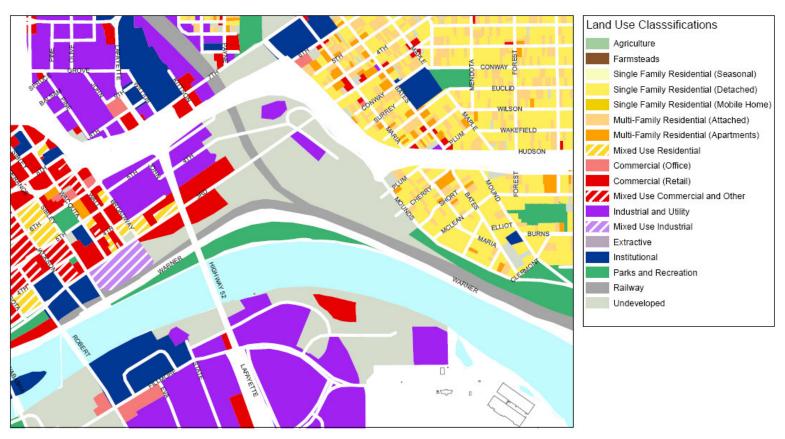


Diamond Products Reuse Study 2003 Aerial Photo with Diamond Products Parcel Boundaries



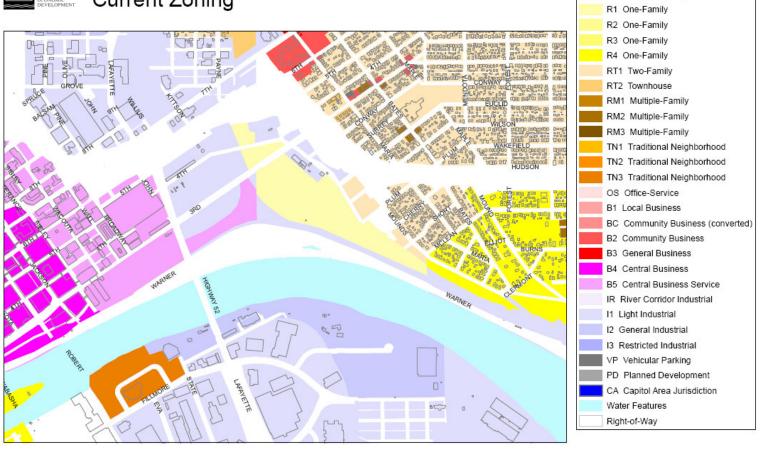


Diamond Products Reuse Study 2000 Land Use





Diamond Products Reuse Study Current Zoning

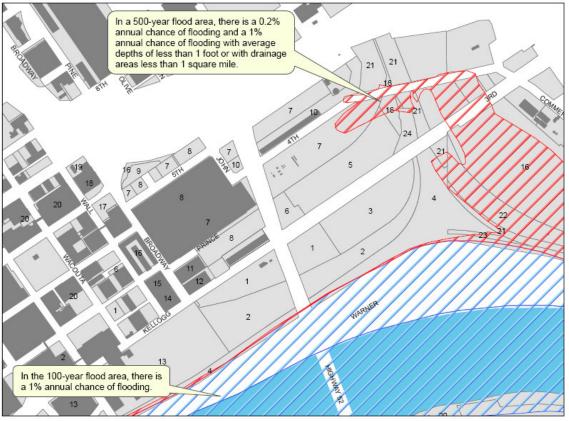


Zoning Classifications

RL One-Family Large Lot



Diamond Products Reuse Study Ownership and Flood Areas

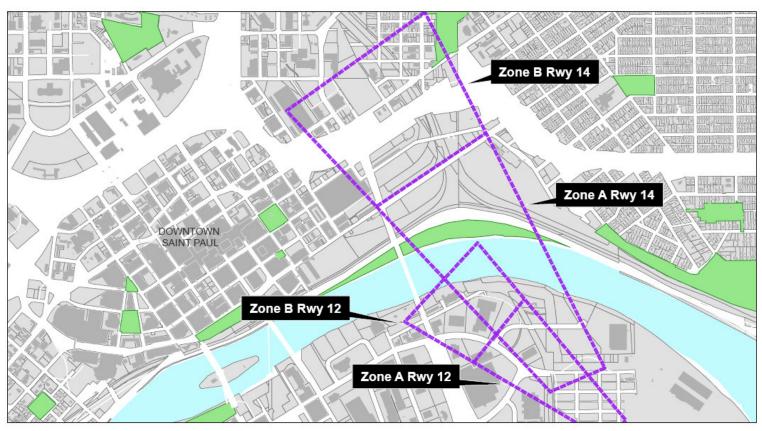


- 1. Ramsey County Rail
- 2. HRA
- 3. Ramsey County Rail
- 4. Soo Line Railroad
- 5. D Oren B LLC
- 6. Donerly Inc.
- 7. M Rasoir LTD
- 8. Diamond Products Co.
- 9. MnDOT
- 10. 401 East 4th Building Partnership
- 11. Northern Warehouse LP
- 12. Tilsner Building
- 13. U.S. Postal Service
- 14. Great Northern Lofts
- 15. LFL Lowertown LP
- 16. City of St. Paul
- 17. Baillon Company
- First National Bank Building
- 18. Dacotah Properties LLP
- 19. Speedway SuperAmerica LLC
- 20. Port Authority of St. Paul
- 21. BNSF Railway
- 22. BN Leasing Corp.
- 23. C B Q RR Co.
- 24. Great Northern RY Co.



Diamond Products Reuse Study

Airport Heights and Land Use Restrictions



APPENDIX C Summary of Public Meeting Comments Diamond Products Public Meeting November 21, 2005 Written Comments on Comment Cards

Please share any specific concerns regarding the Diamond Products site that you feel the guidelines do not address.

- Actively promote a free transit zone for downtown Saint Paul (or a free downtown circulator) – good time since extending downtown further east and would help move people to different parking areas and help with pollution.
- Great opportunity to have area with "green" buildings (with green roofs, solar panels, etc.).
- Concern that the economic impact of the artists and the impact of the artists on the aesthetic value of the city will be undervalued.
- Parking lots on north side of 5th Street/Diamond Products building are of great concern to residents, merchants, employees and patrons of Market House building. (Market House owns a partially-landlocked surface lot for residents and greatly needs additional parking.)
- As a downtown resident, I love the skyways. Four-to-six months of the year, the sidewalks are not comfortable places to be. The skyways are a safer way to travel around downtown, especially at night. With the skyway currently extended to Union Depot, it would not be impossible to connect some buildings to the skyway.
- Increase parking for day-long use at affordable rates (huge issue for people who live and work in Lowertown). A multi-use ramp would be great, with contracts available.
- Has the City of Saint Paul, a potential landowner, assessed the type and amount of land pollution on this site (chemical, etc.) in order to negotiate the sale price (given the cost of clean-up)?

Please give us any comments on the development guidelines that you would like the task force to consider.

- Development should not focus primarily on the arts but rather complement and diversify the area in order to ensure prosperity (although an arts center may be beneficial).
- I would like to see the area get cleaned up and be rebuilt green not just the outdoors but the buildings themselves.
- Limit noise pollution.
- No Target or WalMart stores.
- Recognizing the contribution of the artists in revitalizing the city; providing them with economic benefit from this site.
- Additional parking is required in neighborhood for tenants and heavy weekend market traffic.
- I like the idea of changing the name of "Lowertown." We feel that Lowertown has a negative feeling/connotation.
- A connection between future Lowertown residential development and the river, especially the bike paths.

- Perhaps a tunnel under the train tracks? Even just a pedestrian/bicycle tunnel?
- Must make Broadway safe for pedestrians. Cars accelerate toward freeway entrance, especially at rush hour.

What is your first choice for reuse of the Diamond Products site?

- Mixed-use lots of residential with commercial/retail on ground floor.
- East of 52 transition to a recreational field
- Mixed-use, including more businesses useful to the residents (grocery, deli, art supply store, hardware store, arts-related educational facilities).
- No stadium.
- Trees, green space and trees.
- Do more to keep the area an "art community," beyond building condos.
- Residential, high-density.
- Transit hub for Amtrak and light rail at Union Depot.
- I think your development study is well-thought-out and would greatly enhance Lowertown.
- Brownstone village quaint to match Lowertown.
- Mix of residential and commercial.
- Increase lighting and fix roads to make it safe after dusk.
- Small businesses and art galleries, eating places, bakeries.

APPENDIX D
Written Card Comments

Diamond Products Public Meeting November 21, 2005 Public Comments

Statement from Diamond Products:

- All options are on the table.
- They have not decided to sell or what the highest-and-best-use of the site is.

General Comments on the Guidelines:

"smart, thoughtful, intelligent"

Future Land Use:

- Parking is needed for current residents. Some of the surface parking lots are leased by residents; if they are redeveloped, the parking needs to be replaced. We need to resolve parking for the people who live here first before providing parking for new residents and businesses.
- The future of the Post Office and Union Depot will have a significant impact on the future of the Diamond Products site.
- A community meeting/celebration/gathering space in the form of an outdoor green that allows for flexible use should be included just east of the Farmers Market. This could also function as spillover space for growers.
- Active recreational space east of Hwy. 52 is good.
- Noise from the freeways is a real issue, as is odor from the MWCC sewage treatment plant.
- An arts center is desired.
- Businesses need to be encouraged that support neighborhood residents, such as a grocery store and drugstore. The area needs to stay dense and mixed-use, so that everyday needs can be met within walking distance.
- New businesses need assistance in the first 2-3 years to be able to afford rent and get established.
- A "shopping center" (with a grocery store, Target, theaters, free parking) is needed to address the suburban mindset of people who move in and are used to shopping via car.
- We need to always keep in mind the value of the arts and the contribution of artists to the economic health of the larger community.
- Small businesses need financial incentives to establish themselves and succeed.
- "Adventurous" small businesses should be pursued. There should be more communication about what businesses exist in the area.
- A municipal parking ramp with a park on top of it should be considered.
- Much can be done with the existing Diamond Products building. It does not necessarily have to be demolished.

Urban Design:

• More green architecture and remediation need to occur. Redevelopment should help clean up the area.

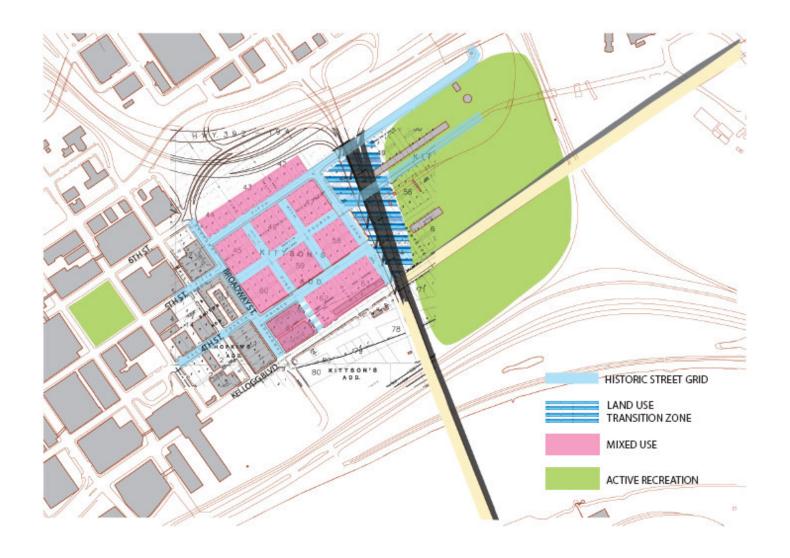
Movement, Access and Public Infrastructure:

- Access to the river from Wall, Broadway is important.
- The skyway system should not be extended into Lowertown. It is still an area with an
 active street level. Is it even feasible to connect some of the existing Lowertown
 buildings via skyway?
- Streetscape design elements should be extended into surrounding neighborhoods.
- We need to connect to Swede Hollow and the river through this site.

Other:

- How will residents and employees be notified of upcoming meetings?
- How will a developer(s) be chosen? Selecting only one developer will cut down on creativity.

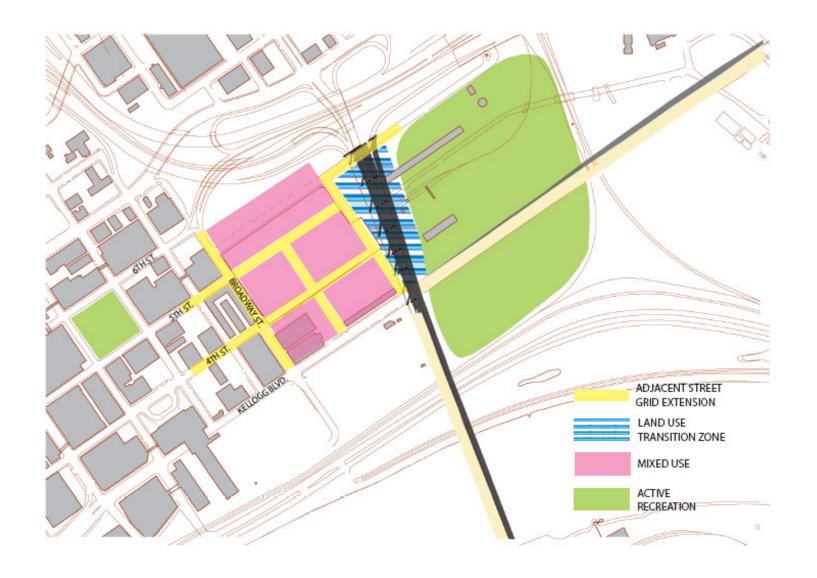
APPENDIX E Proposed Land Use and Street Alignment Options



DIAMOND PRODUCTS REUSE STUDY

Proposed Land Use and Street Alignments: OPTION 1

12/12/05

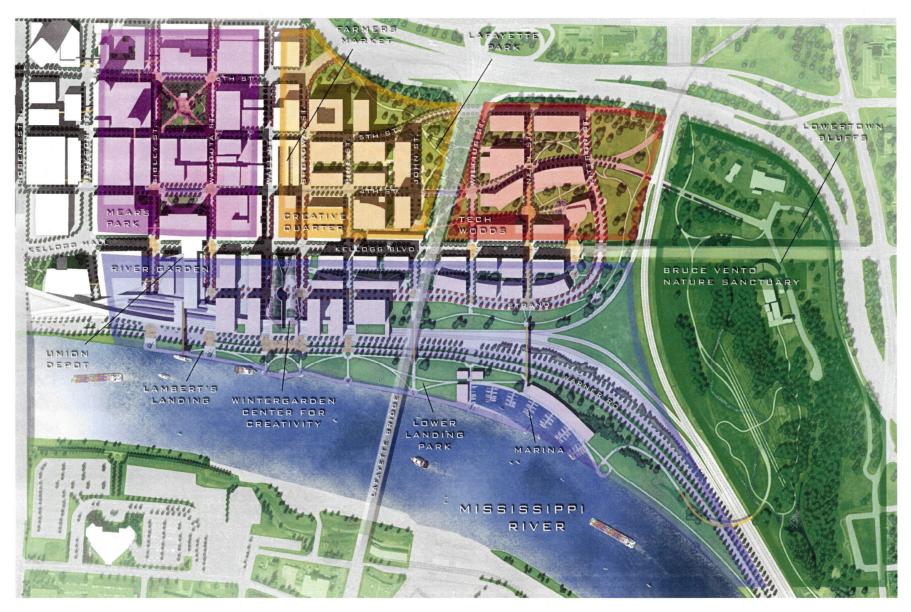


DIAMOND PRODUCTS REUSE STUDY

Proposed Land Use and Street Alignments: OPTION 2

12/12/05

APPENDIX F Urban Village Vision



URBAN VILLAGE VISION Lowertown Redevelopment Corporation March 2005

APPENDIX G AIA Saint Paul Unauthorized Design Boards





Section cut along Kellogg Bridge



Building Types













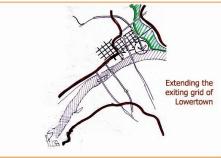
BRIEFING

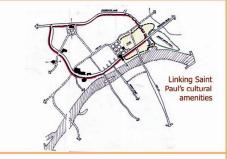
Weiming Lu, of the Lowertown Development Corporation, gave a briefing of his River Garden Plan for the Lowertown area. Ideas for the Depot reuse, raising street grade and open parks space created a basis for discussion throughout the day. Tim Griffin, of the Saint Paul Riverfrount Corporationpresented The Saint Paul on the Mississippi Development Framework and the Downtown Development Strategy. A charrette briefing and an overview of the site introduced key issues and potential of the area.



TOUR

The walking tour began at Golden's Deli within the Farmers' Market District and continued past the Diamond Products' property into the Bruce Vento Nature Sanctuary. En route, participants took notice of the steep topography changes throughout the projected site. This presented design challenges as to how to connect the high and low, protect views, and developing within the flood basin. Participants discussed their impressions of Lowertown and approaches to enrich the area.







CONNECTIONS

Design ideas focused on connections to Lowertown and the Farmers' Market, the River, Bruce Vento Nature Sanctuary Preserve, LRT, the Union Deopt, bike/pedestrian, existing cultural amenities, downtown, adjoining neighborhoods. By connecting, the site becomes the transition and illistration of More Natural and More Urban; a place to come work, live and play.

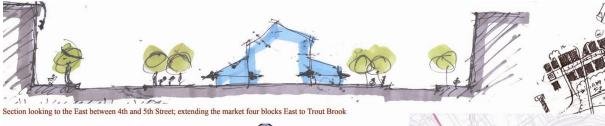




Unauthorized Design

October 29, 2005 Golden's Deli Lowertown, Saint Paul

Weiming Lu Mark Basten Peter Brown Chris Coleman Dick Fisher AIA Tim Griffin AIA Betsy Jacobson Mic Johnson AIA Colin Kloecker Erin McKiel Larry Prinds AIA Todd Rhodes AIA Darla Schoenrock **Bob Spaulding** Steven Woodword







vent Garden Market and Piazza - London Ferry Plaza - San Francisc







Albert Cuyp Market - Amsterdam Ferry Plaza - San Francisco



Examples of successful public markets can be seen from all parts of the world. To become a successful gathering space, a mix of products and attractions must be available. At Albert Cuyp Market, fruit, vegetables, cheese, fish and spices are sold alongside clothes, cosmetics, bedding, flowers, stamps, antiques, and a flea market. Ferry Plaza is developing a permanent market with market-based education programs and center. Shoppers can buy foods by local vendors and watch cooking demonstrations by local chefs, and learn about a variety of topics. A covered plaza in London houses a market space and boutiques, cafes and art that attracts a number of tourists, musicians and local talents.





A FOOD AND ART MARKET DISTRICT

"Ever since humans first congregated in cities, markets have exerted a magnetic power over us--and they are on the upswing today because people are naturally drawn to the agreeable mix of both social and commercial." - David O'Neil, PPS Public markets offer a great number of unique activities and bring surrounding communities together. Markets hold deep roots to the people involved and products tailored to the people it serves. A larger market has the potential to become a sustainable and meaningful development project in Saint Paul.

FINDINGS

Lowertown's identity is based on a combination of an established, thriving artist community/industry, expanding farmers' market and related culinary opportunities, a critical mass of residents and the potential of Union Depot to establish the east metro transit center in its midst. The task force's plan for this area should recognize this base and should be informed by a better understanding of the following four elements:

- A sound understanding of the topography of the area and the way water moves to Trout Brook then to the Mississippi River
- An elegant balance and accommodation of rail, automobile and recreational movement through the area, particularily along the eastern edge of the district
- Cultivation of a critical mass of visual and culinary arts, residents and employment
- Complementary development of new public realm investments, connections and structures keeping with the existing character AND the edgy nature of a creative arts district.



25 West South Street Saint Paul, Minnesota 55102 651.293.6864 www.riverfrontcorporation.com



Unauthorized Design

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